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September 12, 2016

Mr. Mark Lawrence
Senior Hearing Examiner
Public Service Commission
861 Silver Lake Blvd.
Cannon Building, Suite 100
Dover, DE 19904

RE: PSC Docket No. 14-193 (Proposed Exelon & PHI Merger Docket)

Dear Hearing Examiner Lawrence:

According to the June 20, 2016 Second Amended Scheduling Order, I enclose DNREC's comments on the proposed allocation of additional benefits provided under the Most Favored Nations provision of the Amended Settlement Agreement, which was approved by the Public Service Commission on June 2, 2015.

Respectfully,

/s/ Devera B. Scott

Devera B. Scott
Deputy Attorney General

Attachment
DBS/hs
cc: Service List (via email)

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE APPLICATION)
OF DELMARVA POWER AND LIGHT)
COMPANY, EXELON CORPORATION,)
PEPCO HOLDINGS, INC., PURPLE)
ACQUISITION CORPORATION, EXELON) PSC DOCKET NO. 14-193
ENERGY DELIVERY COMPANY, LLC AND)
NEW SPECIAL PURPOSE ENTITY FOR)
APPROVALS UNDER THE PROVISION OF)
26 *DEL. C.* §§ 215 AND 1016)
(FILED JUNE 18, 2014))

**COMMENTS OF THE DNREC DIVISION OF ENERGY & CLIMATE ON THE
PROPOSED REVISIONS TO THE AMENDED SETTLEMENT AGREEMENT**

The DNREC Division of Energy & Climate supports the following proposed allocations of Most Favored Nations benefits as summarized by the Joint Applicants in its filing titled “Comparison of Most Favored Nations Benefit Recommendations” dated September 9, 2016.

Proposed Allocation of Additional Financial Benefits

Energy Efficiency Programs as Directed by DNREC

DNREC supports the proposal to provide an additional \$14 million of Most Favored Nations (MFN) funds to provide investments in energy efficiency. These investments are designed to provide cost-effective energy efficiency investments for large and small customers. The proposal includes \$8 million for a new Energy Efficiency Investment Fund (EEIF) program for large commercial and industrial customers, \$4 million for the existing EEIF program, and \$2 million for energy efficiency (EE) programs targeting low income customers who would not otherwise be able to afford the investments needed to make their homes more efficient.

EEIF Plus (\$8 million)

This new program is designed to fund high impact EE programs for large industrial and commercial Delmarva customers. This class of customers (load equal to or greater than 10,000 MWh/year) provides opportunity for large-scale energy efficiency savings. These investments will make Delaware’s largest utility customers more efficient and competitive, to the benefit of Delaware’s economy, and provide large-scale energy

savings, estimated to be 6,800 MWh per year, with a Total Resource Cost (TRC) ratio of 3.4 over three years.

Energy Efficiency Investment Fund or EEIF (\$4 million)

The Energy Efficiency Investment Fund (EEIF), a successful program for commercial and industrial customers, has not been funded by the General Assembly in the last two budgets. In Fiscal Years 2015 and 2016, EEIF disbursed \$3,459,405 in grants for projects creating 1,542 MWh in annual energy savings. The proposed allocation will help fund the program through FY 2017.

30 percent of this allocation would be reserved for businesses owned by minorities, women, veterans, service disabled veterans, and individuals with disabilities for the first 3 years, with any remainder not allocated or encumbered being eligible for all EEIF eligible applicants for the remaining 2 years. This funding shall be taken into consideration by the Energy Efficiency Advisory Council (EEAC) as it reviews Delmarva-proposed non-residential EE programs to ensure there is no duplication of EE programs. A copy of our most recent EEIF program guidelines is attached. (Ex. A).

Low Income Energy Efficiency (\$2 million)

This provision would add another \$2 million to the \$2 million already provided for in the Amended Settlement Agreement to help provide energy efficiency programs to low income ratepayers as recommended by the EEAC. These funds will focus on low income renters, including possible collaboration with the Delaware State Housing Authority (DSHA) and other housing agencies to ensure that the benefits accrue to low income customers.

Low income customers pay a disproportional percentage of their income for energy and would not otherwise be able to afford the investments needed to make their homes more efficient. The EEAC has convened a Low Income Working Group to engage stakeholders and design programs to meet the needs of these of customers. Attached is a copy of a presentation by Optimal Energy, dated July 13, 2016 to the Low Income Working Group that provides an overview of the demographics and available housing services available in Delaware. (Ex. B).

DNREC believes that the use of MFN funds for energy efficiency is in the public interest because it empowers customers to reduce their energy costs, reduces overall energy costs, and reduces emissions of CO₂, NO_x and SO₂ from marginal energy generation.

DNREC submitted testimony in 2014 that it is in the public interest to use merger proceeds to promote energy efficiency. Use of MFN proceeds to promote energy efficiency will empower large and small customers to protect themselves against changes in wholesale market by giving them greater control over their energy demand. EE investments benefit all energy users by reducing overall demand and thus reducing prices. EE investments that also reduce peak demand deliver additional price benefits for all customers.

The use MFN funds for energy efficiency will also reduce emissions of CO₂, NO_x and SO₂ from energy generation in the PJM region. Since EE displaces marginal generation, the environmental benefits are reflected by the emission figures for marginal generation. PJM calculated the 2015 marginal on-peak emission rate for CO₂ to be 1,647 pound per MWh, the marginal on-peak emission rate for SO₂ to be 3.34 pounds per MWh, and the marginal on-peak emission rate for NO_x to be 1.80 pounds per MWh. Notably, emissions from peak energy generation are much higher than for PJM system average generation:

Emissions Rates in PJM in 2015

	CO ₂ (lbs/MWh)	SO ₂ (lbs/MWh)	NO _x (lbs/MWh)
Marginal On-Peak	1,647	3.34	1.80
Marginal Off-Peak	1,541	3.46	1.46
PJM System Average	1,014	1.61	0.78

(Source: <http://www.pjm.com/~media/documents/reports/20160318-2015-emissions-report.ashx>)

The proposed use of MFN funds for energy efficiency for different customer classes is part of a larger strategy of coordinating EE program development and funding through the Energy Efficiency Advisory Council (EEAC) in a way that should maximize the use of funding from sources like RGGI and minimize the use of ratepayer funds. Under no circumstance will MFN funded programs duplicate any programs that may be recommended by the EEAC or approved for rate recovery by the PSC. Additionally, any energy savings resulting from the expenditure of these funds shall be credited to the EE goals that the EEAC establishes for Delmarva Power.

MFN funds used for energy efficiency will complement and extend the effectiveness of DNREC’s Energy Efficiency Investment Fund (EEIF), help offset any rate recovery for EE programs that may be recommended by the Energy Efficiency Advisory Council, and help ensure that all customer classes have access to cost-effective energy efficiency programs. These allocations will enhance the cost-effectiveness of the overall suite of programs being developed while minimizing the need to seek cost recovery for EEAC recommended programs. Our energy efficiency programs will utilize no more than 10 percent of the allocation for administrative purpose which allows the significant majority of these funds to be used for investment in energy efficiency.

Other Proposed Financial Benefits

The Joint Applicants’ filing included several other financial benefits.

Delaware Economic Development Office (\$6 million)

This allocation would support job creation, specifically as it relates to obstacles and opportunities in the energy area. Funds will be restricted for 3 years to natural gas infrastructure investments in Delmarva service territories necessary to foster business locations or expansions. Any funds not allocated or encumbered after 3 years may thereafter be allocated for the remaining 2 years to economic development opportunities for new or existing renewable energy or energy efficiency businesses located or planning

to locate in Delmarva territories. DNREC supports this funding, which will promote economic development opportunities in the energy sector.

Public Interest Grants (\$4.0 million)

This allocation is proposed to fund grants to provide for qualifying public interest projects designed to benefit the State of Delaware and its citizens. Funds would be awarded through a competitive RFP process. No more than \$2.0 million would be allocated to a single project. DNREC supports this allocation.

Arrearage Management Plan (\$3.1 million)

This allocation of \$3,132,618 would fund expanded residential customer arrearage forgiveness through a jointly developed approach. DNREC supports this allocation of as benefitting low income customers.

Reversion of Funds

After five years, any funds designated above (EE, Economic Development or Public Interest Projects), which have not been allocated to or encumbered by a specific project, would revert to the Arrearage Management Plan. DNREC supports this provision to ensure that funds not used in these categories revert to a use clearly in the public interest.

Proposed Non-Financial Commitments

The Joint Applicant's filing includes three proposed programs of particular interest to DNREC.

Capital for Government Entities for Renewable Energy Projects

The Joint Applicants have proposed to provide \$3.0 million in capital at market rates to governmental entities as a means to help government entities to easily finance renewable energy projects. DNREC supports this provision as helping public agencies find the needed capital to move forward with renewable energy investments.

5 Megawatts Commercial Renewable Energy Generation

The Joint Applicants have proposed to develop or assist in developing 5 MW of renewable energy. The costs of this provision would not be paid by Delmarva Power ratepayers. DNREC supports this provision as a way to promote the development of renewable energy capacity in Delaware.

Microgrid Pilot Project

The Settling Parties discussed the development of one or more microgrid pilot projects in Delaware, a provision included in the Maryland and Washington D.C. settlement agreements. It was proposed in discussions that consideration be deferred until further

progress in this area is made in Maryland or DC so that the parties and the Commission can have the benefit of the analysis and work product in those docketed proceedings should they proceed. Delmarva will share with Staff, DPA and other interested parties information on the progress of and learning related to projects in other jurisdictions.

DNREC supports this provision to explore opportunities to develop one or more microgrid pilot projects in Delaware, as informed by the experience with such projects in other jurisdictions. DNREC looks forward to working with the other settling parties to review the experience of microgrid pilot projects in other jurisdictions and exploring opportunities here in Delaware.

Conclusion

For the reasons described above, DNREC believes the use of MFN funds to make additional investments in energy efficiency to be consistent with the public interest and recommends the Commission approve the allocation as described above. It would be fair because it would support a range of programs designed to make the benefits of EE available to all customer classes. It would be reasonable because the benefits of efficiency investments are expected to be greater than the costs. It is in the public interest because it would empower customers to take more control of their energy usage, and protect them from any possible market impacts from the consolidation of ownership in electricity generation.

DNREC also supports the other funding and non-financial provisions described above as consistent with the public interest. Taken together, these provisions will provide funding and direction that will help DNREC, Delmarva and the other settling parties work together to provide cost-effective energy efficiency programs and other economic benefits for Delmarva customers. In conclusion, DNREC supports these proposed revisions to the Amended Settlement Agreement and urges the Commission adopt them as consistent with the public interest.

Respectfully submitted,

/s/ Devera B. Scott

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Counsel for the DNREC Division of Energy &
Climate

Dated: September 12, 2016

Exhibit A

Delaware Energy Efficiency Investment Fund

Program Guidelines and Operational Procedures

July 2016

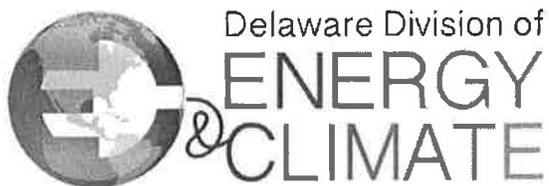


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1.0 Purpose

The purpose of these guidelines is to prescribe procedures relating to the Energy Efficiency Investment Fund. It is the goal in establishing these guidelines to provide a streamlined procedure for administering and distributing program funds.

These guidelines provide rules of practice and procedure for grant applications and disbursement of grants for energy efficiency projects in Delaware.

2.0 Statutory Authority

These guidelines are disseminated under authority of 29 Delaware Code, Section 8030.

3.0 Energy Efficiency Investment Fund Statute and Appropriation

The Delaware 146th General Assembly enacted and Governor Markell signed into law Senate Bill 129 which amended Title 29, §8030 and Title 30 §5502 of the Delaware Code to establish the Energy Efficiency Investment Fund. The State shall transfer in each fiscal year the first \$5,000,000 in tax receipts received under Title 30 Chapter 55 that would otherwise be deposited to the General Fund to the Energy Efficiency Investment Fund maintained by the Department of Natural Resources and Environmental Control (DNREC) pursuant to Chapter 80 of Title 29.

The Energy Efficiency Investment Fund promotes the use of energy efficient technologies by Delaware non-residential (commercial and industrial) customers that pay the state public utility tax on their electric and/or natural gas utility bill.

According to Title 29 §8030, DNREC shall give preference to those applications proposing projects that are anticipated to produce the greatest reduction in energy consumption per Fund dollar invested, improve environmental performance, spur capital construction and facility modernization, encourage job retention and creation, and are likely to be substantially complete no later than one year following the issuance of financing from the Fund.

4.0 Delaware Energy Efficiency Investment Fund

4.1 General Provisions

All grants are on a first-come first-served basis. In no event shall the Fund provide grant funding for more than 30 percent of the total costs of any proposed project nor support projects already receiving support from the Green Energy Fund under this chapter or the Strategic Fund under subchapter I-B of Chapter 50, Title 29 the Delaware Code.

Equipment must be new, purchased, and installed before the grant payment can be issued. Both payment and commitment of grant are subject to availability of program funds.

4.1.1 Program Limits

The Fund will not pay more than 30 percent of the total project cost shown on the invoice and projects will not exceed \$500,000 without written approval of the Director.

Energy Assessment Grants will not fund any energy audit or feasibility study greater than 50 percent of the audit/study cost and not to exceed \$10,000 per facility.

No company or affiliated group of companies under common ownership/control can receive more than \$1,000,000 in awards within a three year period. By way of example, a parent and subsidiary (or sister entities with a common owner) would not be eligible to receive more than \$1,000,000 in total combined awards within three consecutive program years.

Within this \$1,000,000 limit there is also a cap on total lighting awards. Total lighting awards shall not exceed \$400,000 within a three year period. By way of example, a parent and subsidiary (or sister entities with a common owner) would not be eligible to receive more than \$400,000 in total combined lighting awards and would not be eligible to receive more than \$600,000 in total combined awards for all other measures within three consecutive program years.

4.2 Eligibility

The Delaware Energy Efficiency Investment Fund Program is available to non-residential, commercial, industrial, and non-profit entities that pay the Delaware Public Utility Tax on electric and/or natural gas utility bills.

All applications are subject to pre-installation and/or post-installation inspections at the discretion of DNREC.

4.3 Permits

All Energy Efficiency Investment Fund projects must obtain all relevant permits from DNREC and all other necessary state, local, regional, and federal permits to be considered for an application.

4.4 Installing Contractor Guidelines

4.4.1 Education and Licensure

Installing contractors shall maintain appropriate education and licenses, industry certificates and accreditations to ensure the program preserves the end-users' expectation of professional work. The installing contractor must be licensed in the State of Delaware.

Where industry certification programs have been promulgated, grant recipients are encouraged to use industry certified contractors.

4.4.3 Insurance Requirements

The installing contractor and anyone acting under its direction or control or on its behalf

shall at its own expense procure and maintain in full force at all times Commercial General Liability Insurance with a bodily injury and property damage combined single limit of liability of at least ONE MILLION DOLLARS (\$1,000,000) for any occurrence.

4.4.4 Statement of Reliability and Good Standing

Contractor must be reliable and in good standing with a “Satisfactory Record” (or no negative reports) with the Better Business Bureau. The contractor shall provide a copy of their Better Business Bureau report to DNREC upon request. Reports may be obtained at the following address.

BBB of Delaware
60 Reads Way
New Castle, DE 19720
Phone: (302) 221-5255
Fax: (302) 221-5265
Web Site: www.delaware.bbb.org
Email: info@delaware.bbb.org

4.4.5 Limitation of Funds

The Program funds are limited. The installing contractor shall follow program guidelines to ensure reservation of funds prior to installing a qualifying system. DNREC will provide notice if program funds are close to being exhausted for the fiscal year.

4.5 Warranty

All qualifying systems receiving an Energy Efficiency Investment Fund grant must have a full 3-year warranty against component failure, malfunction and premature output degradation. The warranty must cover all components for which the program incentive is granted and cover the full cost of repair and replacement of all components of the system. For professionally installed systems, the warranty must cover the labor to remove and replace defective components and systems.

DNREC neither expressly nor implicitly warrants the performance of installed equipment. Participants should contact their contractor for details regarding the equipment warranties.

4.6 Code Compliance

All qualifying systems must be installed in accordance with the standards and specifications of the manufacturers of the components in the system, in compliance with all federal, state, and local safety, building and environmental codes and ordinances and these guidelines. Where discrepancies, if any, exist with these guidelines and local codes, local codes shall govern.

With regard to Delaware’s building energy code, which currently references ASHRAE 90.1-2010 and the 2012 IECC, qualifying systems must exceed minimum code requirements in order to be considered for energy efficiency grant funds.

All equipment must be tested to Underwriters Laboratory (“UL”) standards and be UL listed and installed per manufacturer’s instructions.

5.0 Delaware Energy Efficiency Investment Fund

There are several funding avenues available to Delaware businesses tailored to differing needs and resources. There is a prescriptive energy efficiency grant option by which a business may engage a contractor or otherwise install specified efficiency equipment and be assured a prescribed grant according to a set incentive amount. There is also the customized option geared for businesses with more unique or complex energy efficiency projects. The two-prong approach of a prescriptive and custom path provides a more direct, relatively easier prescriptive approach that allows smaller businesses a viable path to participate, while also providing a more appropriate vehicle for larger and more complicated projects to maximize energy efficiency opportunities. Additionally, there is an energy audit option for businesses needing more assistance in planning for efficiency. The three options are as described in detail below.

5.1 Prescriptive Path Grants

Nonresidential customers of any size are eligible for prescribed measures. Prescribed measures contain technologies where energy savings can be predicted with reasonable accuracy across all applications. The technologies currently eligible for the program include: lighting equipment, high efficiency commercial gas heating equipment, hot water heaters, and vending misers.

The program may modify or expand the list of eligible measures under the prescriptive grant path at any time. DNREC will notify applicants of the change on the website and update any published materials.

5.1.1 Prescribed Grant Limits

Subject to availability of funds, the Efficiency Investment Fund offers grants for the following prescribed products installed by qualified contractors for a qualifying customer:

Lighting
Heating Equipment
Domestic Hot Water
Vendor Miser

All projects require pre-approval and are subject to a post-installation inspection.

5.1.2 Accepted Products and Equipment

The following are not eligible for a Prescriptive grant:

- Routine maintenance procedures
- Building energy code requirements (see ASHRAE 90.1-2010 and 2012 IECC)
- Other restrictions as deemed appropriate by DNREC

The following list details the products and equipment eligible for a grant under the

Energy Efficiency Investment Fund.

Lighting

All products must meet the technical requirements listed on the Prescriptive Application Form for Lighting to be eligible for rebate.

All products must be UL listed and be installed according to local building codes.

All products must be installed in such a way that the lighting power allowance in either the Building Area or the Space-by-Space method of ASHRAE 90.1-2010 and the 2012 IECC is not exceeded.

Heating Equipment

All products must meet the technical requirements listed on the Prescriptive Application Form for Natural Gas Heating and Water Heating Equipment to be eligible for rebate.

Water Heating Equipment

All products must meet the technical requirements listed on the Prescriptive Application Form for Natural Gas Heating and Water Heating Equipment to be eligible for rebate.

Vending Machine Miser

All products must meet the technical requirements listed on the Prescriptive Application Form for Vending Miser to be eligible for rebate.

5.1.3 Application Process

Confirm that the proposed energy efficiency measure (EEM) qualifies for an incentive based on the program requirements. Submit a completed and signed EEIF Prescriptive Grant Application form with copies of the manufacturer's technical specification sheets (cut sheets) for each type of EEM to be purchased.

After receipt of the completed application and any required supplementary documentation, DNREC will evaluate the project for consideration of grant pre-approval. The contractor and customer are fully responsible for ensuring that all forms and documentation have been supplied and the system meets all program requirements. DNREC will review the grant application within 10 business days of receipt of the application package and all supporting documentation. If the requirements have been successfully met, a pre-approval letter will be issued by DNREC to the applicant.

After completing the project, the applicant must submit the final documents pertaining to the project. DNREC will evaluate the project and the required accompanying documents for consideration of grant approval. DNREC may conduct an inspection of the systems prior to final grant approval.

DNREC will process the grant within 60 days of receipt of the final application

package and all supporting documentation, or 30 days after a scheduled inspection if required. DNREC will ordinarily process the payment to the purchaser, however, if the purchaser so requests in writing and documentation reflects the grant value was reduced directly from the purchase price, DNREC will process the payment to the retailer or installing contractor.

5.1.4 Application Requirements

Applications must be completely and accurately submitted before incentives can be paid. Required documentation includes:

- Specification (cut) sheets for all equipment, AND
- Technical data and testing laboratory information, AND
- Quotes and estimates for all equipment and the scope of work, AND
- Twelve consecutive electric and/or natural gas utility bills, AND
- Installer's Commercial General Liability Insurance certificate, AND
- Delaware State Substitute W-9 form submitted electronically to <https://w9.accounting.delaware.gov/>, AND
- If a lighting project, a lighting schedule and a ceiling plan, AND
- After project completion, itemized invoices for all installed equipment.

Additional information may be requested upon review of initial proposal as deemed appropriate by DNREC.

5.2 Custom Path Grants

The custom path grant option is designed to encourage non-standard energy-efficiency measures, including measures not listed in the prescriptive path above and prescribed measures bundled into a comprehensive full-facility upgrade that maximizes energy savings and cost effectiveness. The custom grant path allows for more comprehensive, unique and creative solutions to projects that are more complex than the prescribed program offers. The custom path is also known as the performance path.

The customized incentives are based on calculated energy and demand savings of retrofit projects, as well as cost effectiveness, and are limited by total project cost. This option allows for the greatest flexibility and creativity in design by providing an incentive on a facility wide scale or on targeted assessments that save energy. The projects qualifying under this program are generally more complex and aggressive measures that permanently raise the efficiency levels beyond that of standard equipment.

5.2.1 Grant Limits

Subject to the availability of funds and the per business limit, a custom grant path must propose a project offering an annual energy savings. The grant will be paid at a rate of \$0.12 per kilowatt-hour saved and \$5/mmbtu, up to 30 percent of installed cost, whichever is less. Program funds are limited and must be reserved prior to completing the project to ensure availability.

Typically, the savings generated by these custom measures are site and end use specific and require a detailed analysis to qualify for an incentive. Recognizing

this, DNREC reserves the right to require a detailed system design and a predicted performance calculation verified by a Professional Engineer (P.E.) on 100 percent of proposed projects.

All custom applications require documentation of the energy savings information. Acceptable forms of documentation include: energy modeling by a consultant or other third party, specification sheets for ALL existing and proposed systems, and/or signature by a licensed professional engineer (P.E.). Failure to submit acceptable documentation will result in a determination of ineligibility. For example, ASHRAE 90.1-2010 Appendix G simulation may be used to demonstrate beyond-code energy performance, and ASHRAE's energy cost budget method may be used to demonstrate energy cost avoidances.

5.2.2 Accepted Products and Equipment

All projects that are considered energy efficiency measures may be eligible to receive a custom path grant, as long as they exceed minimum building energy code requirements. Examples of possible improvements over baseline include:

- Building envelope
- Steam / Boiler improvements
- Process Heat recovery
- Combined Heat and Power (CHP)
- Compressed Air improvements
- Chillers
- Variable Speed Drives
- Heating Ventilation and Air Conditioning improvements
- Plug Load Controls
- Service Water Heating improvements
- Lighting Power Density improvements beyond code (using a mix of daylighting, delamping, highly reflective interior surfaces, and fixture efficiency)
- Whole Building Retrofits (using three or more energy efficiency measures to deliver a minimum of 30% energy use reduction from pre-installation baseline)

The following are not eligible for the custom path grant:

- Routine maintenance procedures
- Renewable energy generation (e.g. wind, geothermal, solar, etc.)
- Projects with less than a 6 month simple payback
- Industrial technologies not approved by nationally recognized laboratories
- Power conditioning/ power factor equipment
- Equipment studies
- Projects with less than 1.0 benefit cost ratio (using the Total Resource Cost, TRC, method)
- Projects that bring the building up to minimum code requirements
- Other restrictions as deemed appropriate by DNREC

5.2.3 Application Process

Applications for the custom path must receive approval from DNREC prior to beginning the project. A statement of reservation of funds and authorization to proceed will be issued by DNREC upon acceptance as a custom project. DNREC reserves the right to pre-inspect all facilities requesting a custom path grant.

After receipt of the completed application and any required supplementary documentation, DNREC will evaluate the project for consideration of grant pre-approval. The contractor and customer are fully responsible for ensuring that all forms and documentation have been supplied and the system meets all program requirements. DNREC will review the grant application within 10 business days of receipt of the application package and all supporting documentation. If the requirements have been successfully met, a pre-approval letter will be issued by DNREC to the applicant.

Funds will be reserved for 12 months on a first-come, first-served basis. The final grant claim form and supporting documents shall be submitted within the 12 months of the reservation date or funds will be forfeited. If the claim form is not received at the end of the 12-month reservation period, a milestone accomplishments report will be submitted to DNREC or the reservation will be forfeited. DNREC will determine if a reservation extension should be granted.

After completing the project, the applicant must submit the final documents pertaining to the project. DNREC will evaluate the project and the required accompanying documents for consideration of grant approval. DNREC may conduct an inspection of the systems prior to final grant approval.

DNREC will process the grant within 60 days of receipt of the final application package and all supporting documentation, or 30 days after a scheduled inspection if required. DNREC will ordinarily process the payment to the purchaser, however, if the purchaser so requests in writing and documentation reflects the grant value was reduced directly from the purchase price, DNREC will process the payment to the retailer or installing contractor

5.2.4 Application Requirements

Applications must be completely and accurately submitted before incentives can be paid. Required documentation includes:

- Specification (cut) sheets for all equipment, AND
- Technical data and testing laboratory information, AND
- Quotes and estimates for all equipment and the scope of work, AND
- Twelve consecutive electric and/or natural gas utility bills, AND
- Installer's Commercial General Liability Insurance certificate, AND
- Documentation of the energy savings calculations and cost estimates, AND
- Project schedule including detailed milestones, AND
- Delaware State Substitute W-9 form submitted electronically to <https://w9.accounting.delaware.gov/>, AND

- If a lighting project, a lighting schedule and a ceiling plan, AND
- After project completion, itemized invoices for all installed equipment.

Additional information may be requested upon review of initial proposal as deemed appropriate by DNREC.

5.2.5 Application Review

Application Received:

Contractor or applicant submits the project application to DNREC. The application and date received is logged into the tracking spreadsheet and a review is scheduled.

Application review:

DNREC reviews the application and energy calculations for completeness. If there is any missing information, or if anything is needed in order to accurately estimate the energy savings from the project, DNREC will follow up with the applicant. DNREC reserves the right to deny applications that are unreasonably incomplete or that fail to become complete after due diligence to collect the required information. The program manager may also decide the application needs additional study or metering data to be confident in the estimates, and may notify the applicant to request additional information or a site visit. Depending on the additional information required, there may be additional program funds available for these activities under the Energy Assessment grants opportunity.

Pre-Installation Site Visit:

DNREC will conduct a pre-installation site visit on approximately 10 percent of projects, in order to ensure that the installation has not yet begun and that baseline conditions were accurately described in the application. During the site visit, DNREC may also collect information to enable it to accurately calculate savings. If the application provided adequate information, the site visit may be deferred until after the pre-screening. This will ensure that DNREC does not spend time visiting a project that does not pass the Total Resource Cost (TRC) test.

Project Pre-screening and Incentive calculation:

If a project site visit is not required, the project will be pre-screened based on the actual cost of the project and the savings provided by the applicant and verified by the program manager. If the project does not pass the initial screen, the program manager will notify the applicant. The applicant may choose to modify the project or lower the cost in an attempt to move the project along. Once the modified project information is received by DNREC, pre-screening will be performed again using this updated information.

The incentive award calculation will be based on the pre-screen results.

Pre-Qualification Grant Letter:

If the project passes the pre-screen, the applicant will be sent a pre-qualification letter that reserves the grant amount for not more than 12 months (and not more than 24 months for CHP projects). The letter will also include a disclaimer that the grant award cannot be guaranteed if there are changes in scope or cost.

The applicant is responsible for submitting the final documents once the project is installed and completed.

Post-Installation Site Visit

A post-installation site visit may be necessary due to minor changes in scope as a project proceeds from design to completion and to ensure that the final savings estimates reflect the project as installed, rather than the project as designed. These site visits will be performed on a sample of project sites.

Final Screening

Once the final costs and project specifications are submitted to DNREC, a final screening is performed using the measure screening tool. This will ensure that the program records reflect the actual site conditions. If the scope of the project changed enough to significantly lower savings and/or make the project fail the TRC, DNREC may elect to adjust the incentive amounts.

Grant Payment

Once the project passes the final screening, the grant is ready to be disbursed to the applicant. DNREC will send a letter notifying the applicant of payment approval and will record the payment information in the Payment Summary sheet.

5.3 Energy Assessment Grants

For businesses in need of technical assistance to evaluate their facility for cost effective energy efficient upgrades, grants are available to help with the cost of the audit, feasibility study and project design. Energy Assessment grant funding is limited. Funding must be reserved prior to beginning the audit or study to ensure funding availability.

5.3.1 Grant Limits

The Energy Assessment grants will pay up to 50 percent of the cost of the proposed audit per facility up to \$10,000 or up to \$20,000 per organization with two or more facilities.

5.3.2 Accepted Audits

5.3.2.1 Single Purpose or Targeted Energy Audit

Single purpose or a targeted energy audit will provide a detailed analysis on one or more types of projects. Included but not limited to a focused analysis on lighting, energy management systems, variable speed drives, boiler/chiller replacements, thermal energy storage systems, energy generation, or a combination of these

projects.

5.3.2.2 Comprehensive Audit

A comprehensive energy audit will provide a detailed analysis of a facility and potential project. The audit will include the interactive effects of the projects and account for the energy use of all major equipment while providing detailed energy cost saving calculations and installed project cost. Comprehensive audits typically use computer models such as DOE-2, Trane/Trace or equivalent packages to simulate building and equipment operations based on weather, equipment set points and hours of operation.

Recognizing that a comprehensive audit evaluates all major energy using systems, the audit will include an implementation plan for the facility upgrades. Systems eligible for a comprehensive audit include but are not limited:

- Building envelope
- Lighting
- Domestic hot water
- HVAC and controls
- Combined heat and power

The audit must comply with ASHRAE Level II audit requirements.

5.3.3 Application Process

Applications for the Energy Assessment grant option shall submit Part 1 of the application and the winning audit proposal to DNREC and receive approval prior to beginning the project. A statement of reservation of funds and authorization to proceed will be issued by DNREC upon acceptance of Part 1 application.

Upon receipt of the completed study and all final documentation pertaining to the project, DNREC will evaluate the project for grant payment. The contractor and customer are fully responsible for ensuring that all forms and documentation have been supplied and the proposal meets all program requirements. Applications submitting only a scope of work for the proposed study will be considered incomplete and not eligible for grant award.

In addition to the requirements in Section 5.3.2, applications for Energy Assessment grants must include the following:

- 5.3.3.1 Completed Application Form Part 1 and appropriate audit proposal.
- 5.3.3.2 Copy of the customer's last 12 months of electric and natural gas bills.
- 5.3.3.3 The completed energy study, which shall include all requirements needed for the prescriptive and custom grants including the following:

1. Executive Summary
2. Technical Information and Analysis
 - a) Description of the project and proposed energy saving measures

- b) Base case information
 - c) Enhanced case information
 - d) Estimated energy and demand savings associated with the proposed project
 - e) Any applicable figures and tables
 - f) Simple payback period and/or life cycle costs
 - g) Estimated costs including design, materials, and installation
3. Conclusions and Recommendations
- a) Findings and key points summarized
 - b) Recommendations should be evaluated separately and combined in the enhanced case
4. Appendix
- a) Engineering assumptions and supporting information
 - b) Building data and plans
 - c) Cost assumptions
 - d) Publication information for each source cited in the "Technical Information" section of your report
 - e) Listing of the publication title, author, place of publication, page numbers, and date of publication

DNREC will process the grant within 60 days of receipt of the Application Package and all supporting documentation.

6.0 Proprietary Application Information

DNREC may make all applications submitted available to non-State personnel for the sole purpose of assisting in its evaluation of the applications. These individuals will be required to protect the confidentiality of any specifically identified proprietary information obtained as a result of their participation in the evaluation.

Proposals submitted may contain trade secrets and/or privileged or confidential commercial or financial information which the applicant does not want to be used or disclosed for any purpose other than evaluation of the application. The use and disclosure of such data may be restricted, provided the applicant follows DNREC's "Request for Confidentiality" procedure contained in DNREC's "Freedom of Information Act" or "FOIA" regulation. It is important to understand that this FOIA regulation's confidentiality procedure is a necessary part of this regulation in that any information submitted to DNREC is subject to public review unless deemed to be confidential by the Secretary in accordance with the criteria and procedures established in the FOIA regulation.

The burden lies with the applicant asserting the claim of confidentiality to meet the criteria established in the FOIA regulation.

7.0 Retirement and Disposal

The intent of the Energy Efficiency Investment Fund is to increase energy efficiency through retirement and replacement of inefficient equipment. The customer and contractor shall appropriately retire and dispose of any product replaced as a result of an

Energy Efficiency Investment Fund grant.

The customer is responsible for the proper disposal or recycling of any waste generated as a result of the project, including the disposal of fluorescent lamps (which contain mercury) and ballasts suspected of containing PCBs. Any fluorescent ballast dated pre-1979 should be considered to contain PCBs unless otherwise labeled.

8.0 Dispute Resolution

Should an applicant be denied a grant and disagrees with outcome, the applicant must contact DNREC in writing. DNREC will respond within 10 days after the determination. Should DNREC deem the application eligible, the application will be processed within the next 10 business days.

9.0 Tax Liability

The applicant is responsible for any tax liability imposed as a result of the payment of grants. Applicants are advised to contact a tax professional for more information.

Exhibit B



Integrated Energy Resources

Introduction to Delaware Low-Income Demographics and Available Housing Services

Low-Income Working Group

July 13, 2016



Mission and Goals of this Working Group

- *Mission:* To support all Delaware low-income energy efficiency programs and initiatives by providing feedback and guidance on the development and implementation of cost-effective program offerings for all low-income Delaware households.
 - *Specific tasks:*
 - *Energy Efficiency Plans for the EEAC*
 - *General Feedback and guidance*
 - *Settlement Program Development*
 - Source and analyze the housing demographics to have clearer understanding of population
 - Cataloguing of current, or planned, initiatives that support enhancement to affordable housing and low income energy efficiency
 - Research and evaluate program options and considerations
 - Prepare and present recommendations to DE EEAC and other low income program stakeholders
 - *Weatherization Assistance Program*
 - *General feedback and guidance*

Delaware Housing at a Glance

Total Housing Units in Delaware

Delaware	RENTAL	OWNED	VACANT	TOTAL
Total Housing Units	87,612	243,868	70,258	401,738

Definition of Low Income Housing Unit

County	Median Income
New Castle	\$81,100
Kent	\$66,100
Sussex	\$66,300
Low (80% AMI)	
County	Low (80% AMI)
New Castle	\$64,900
Kent	\$52,900
Sussex	\$50,650
Very Low (50% AMI)	
County	Very Low (50% AMI)
New Castle	\$40,550
Kent	\$33,050
Sussex	\$31,650
Extremely Low (30% AMI)	
County	Extremely Low (30% AMI)
New Castle	\$24,350
Kent	\$24,250
Sussex	\$24,250

Renter vs Owner

Renters (%)



Owner Occupied (%)



Low Income Housing in Delaware

Rental Units Less Than 80% AMI



Owner Occupied Units Less Than 80% AMI



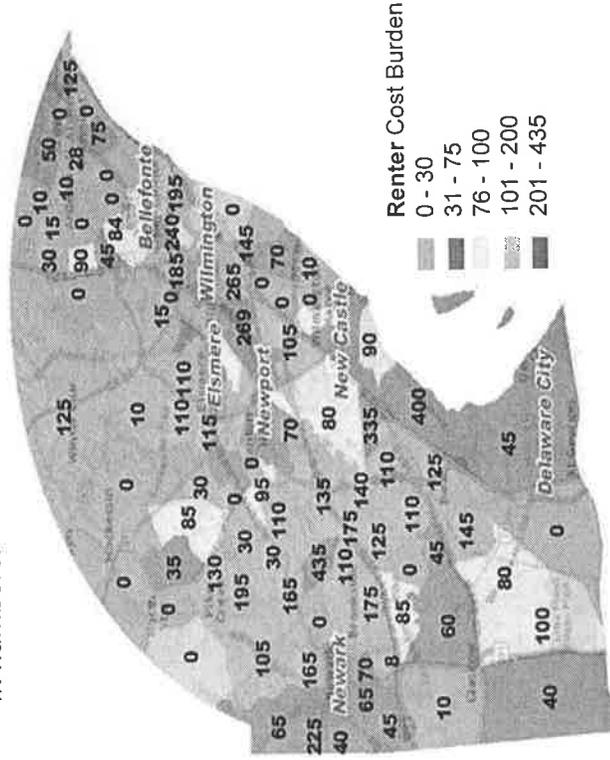
Need: North New Castle

Cost Burdened Renter Households by Census Tract (Under 80% Area Median Income)

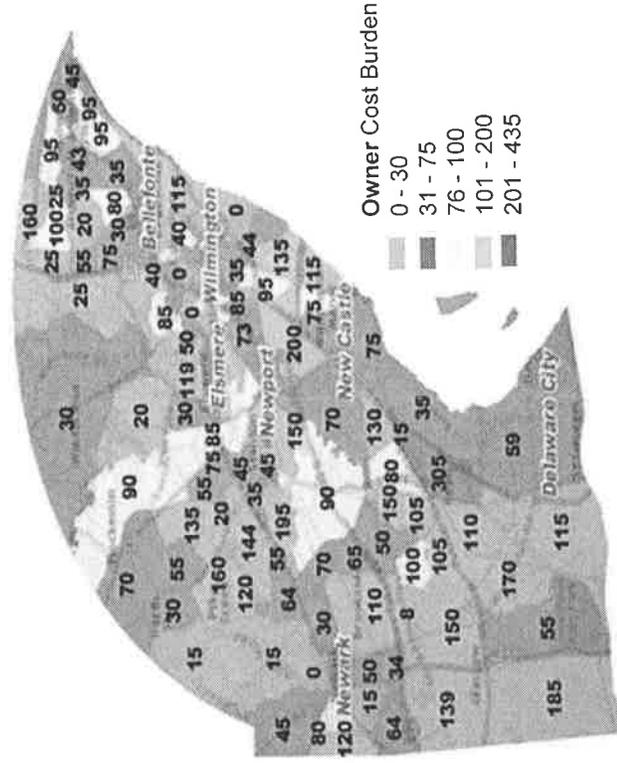
Housing Challenges			
North New Castle			
	TOTAL	% of All units	Compared to State
Cost Burdened Renters	25,750	46.4%	0.0%
Severely Cost Burdened Renters	13,216	23.2%	0.7%
Cost Burdened Owners	32,870	26.1%	-1.6%
Severely Cost Burdened Owners	13,581	9.6%	-0.7%

HUD provides estimates of households who pay a burdensome amount for housing costs and are likely to be in need of more affordable housing options. According to HUD definitions, a "cost burdened" household pays more than 30% of their income on housing; a "severely cost burdened" household pays more than 50% of their income on housing. The information is categorized by income, and by owners and renters. HUD provides the following income categories in relation to Area Median Income (AMI): Extremely Low Income (<30% AMI), Very Low Income (30% - 50% AMI), Low Income (50% - 80% AMI), Moderate Income (80% - 100% AMI), and Middle Income and higher (>100% AMI).

In numbers:



In numbers:

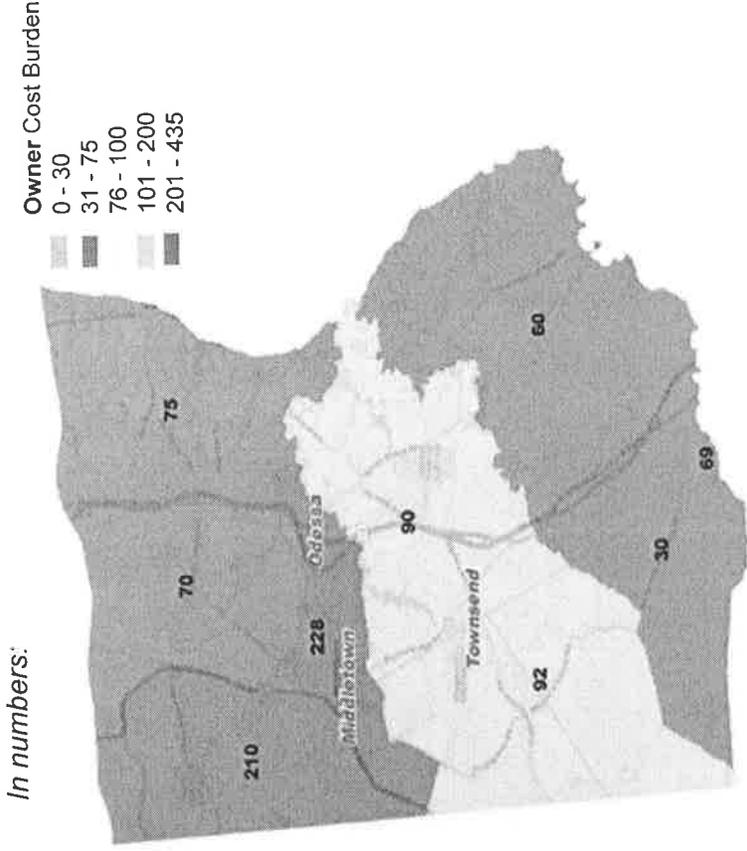
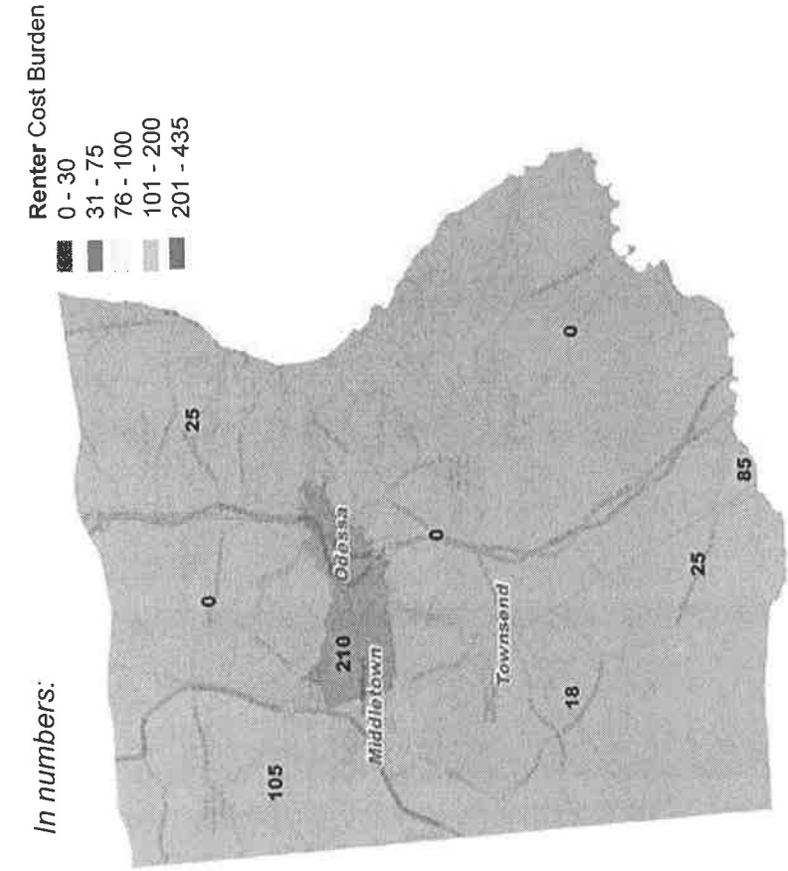


Need: South New Castle

Cost Burdened Renter Households by Census Tract (Under 80% Area Median Income)

Housing Challenges			
South New Castle			
	TOTAL	% of All units	Compared to State
Cost Burdened Renters	647	43.9%	-1.6%
Severely Cost Burdened Renters	234	15.9%	-6.6%
Cost Burdened Owners	4,033	29.1%	1.8%
Severely Cost Burdened Owners	1,240	9.0%	-1.4%

HUD provides estimates of households who pay a burdensome amount for housing costs and are likely are in need of more affordable housing options. According to HUD definitions, a "cost burdened" household pays more than 30% of their income on housing; a "severely cost burdened" household pays more than 50% of their income on housing. The information is categorized by income, and by owners and renters. HUD provides the following income categories in relation to Area Median Income (AMI): Extremely Low Income (<30% AMI), Very Low Income (30% - 50% AMI), Low Income (50% - 80% AMI), Moderate Income (80% - 100% AMI), and Middle Income and higher (>100% AMI).



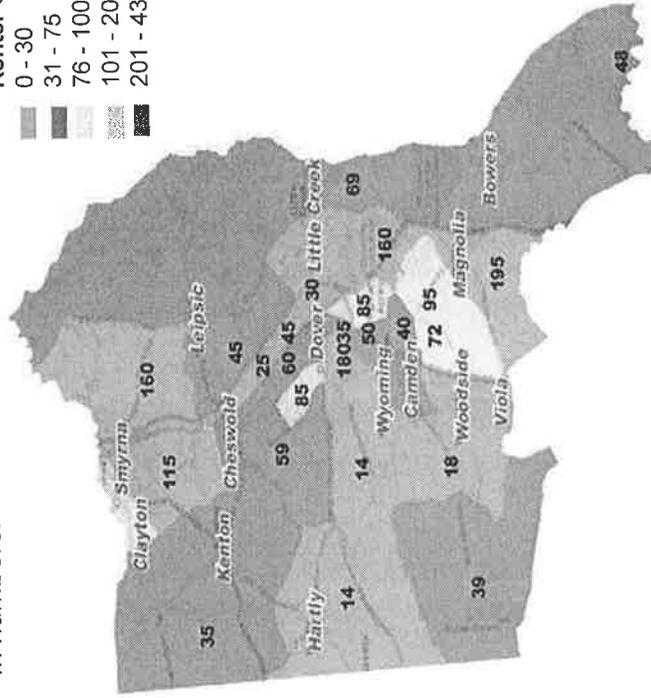
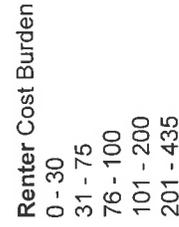
Need: North Kent

Cost Burdened Renter Households by Census Tract (Under 80% Area Median Income)

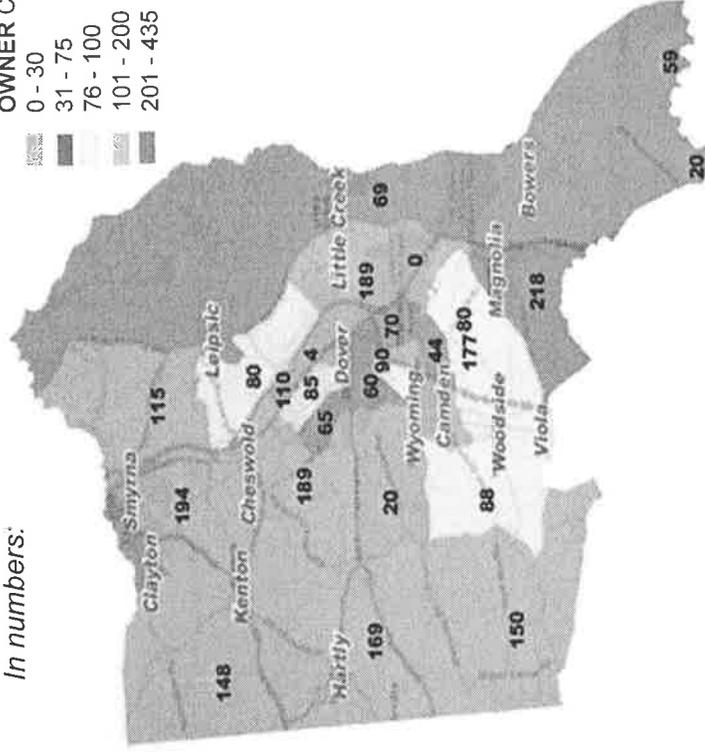
Housing Challenges			
North Kent			
	TOTAL	% of All units	Compared to State
Cost Burdened Renters	5,463	42.7%	-2.8%
Severely Cost Burdened Renters	2,907	22.7%	0.3%
Cost Burdened Owners	10,040	29.3%	2.0%
Severely Cost Burdened Owners	3,634	10.6%	0.3%

HUD provides estimates of households who pay a burdensome amount for housing costs and are likely are in need of more affordable housing options. According to HUD definitions, a "cost burdened" household pays more than 30% of their income on housing; a "severely cost burdened" household pays more than 50% of their income on housing. The information is categorized by income, and by owners and renters. HUD provides the following income categories in relation to Area Median Income (AMI): Extremely Low Income (<30% AMI), Very Low Income (30% - 50% AMI), Low Income (50% - 80% AMI), Moderate Income (80% - 100% AMI), and Middle Income and higher (>100% AMI).

In numbers:



In numbers:

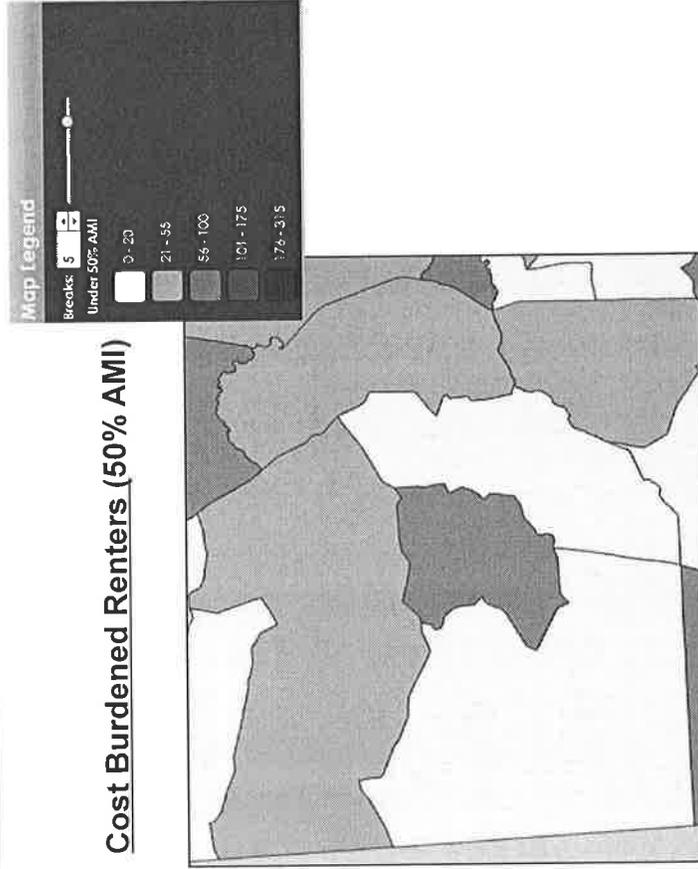
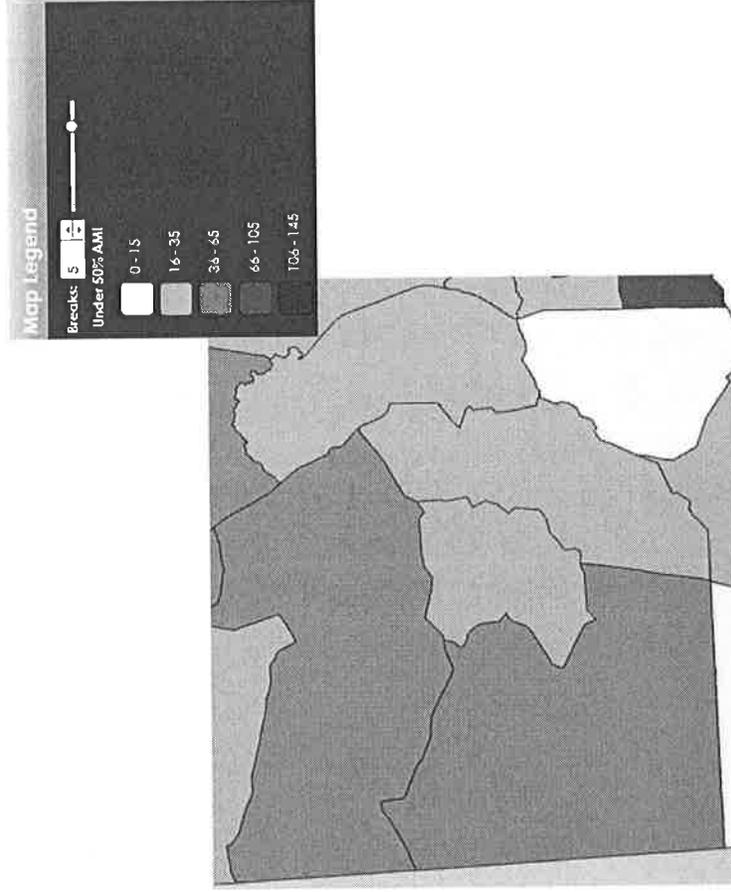


Need: South Kent

Cost Burdened Renter Households by Census Tract (Under 50% Area Median Income)

Housing Challenges			
South Kent			
	TOTAL	% of All units	Compared to State
Cost Burdened Renters	1,194	42.8%	-2.7%
Severely Cost Burdened Renters	593	21.3%	-1.2%
Cost Burdened Owners	2,093	27.7%	0.4%
Severely Cost Burdened Owners	906	12.0%	1.7%

HUD provides estimates of households who pay a burdensome amount for housing costs and are likely are in need of more affordable housing options. According to HUD definitions, a "cost burdened" household pays more than 30% of their income on housing; a "severely cost burdened" household pays more than 50% of their income on housing. The information is categorized by income, and by owners and renters. HUD provides the following income categories in relation to Area Median Income (AMI): Extremely Low Income (<30% AMI), Very Low Income (30% - 50% AMI), Low Income (50% - 80% AMI), Moderate Income (80% - 100% AMI), and Middle Income and higher (>100% AMI).



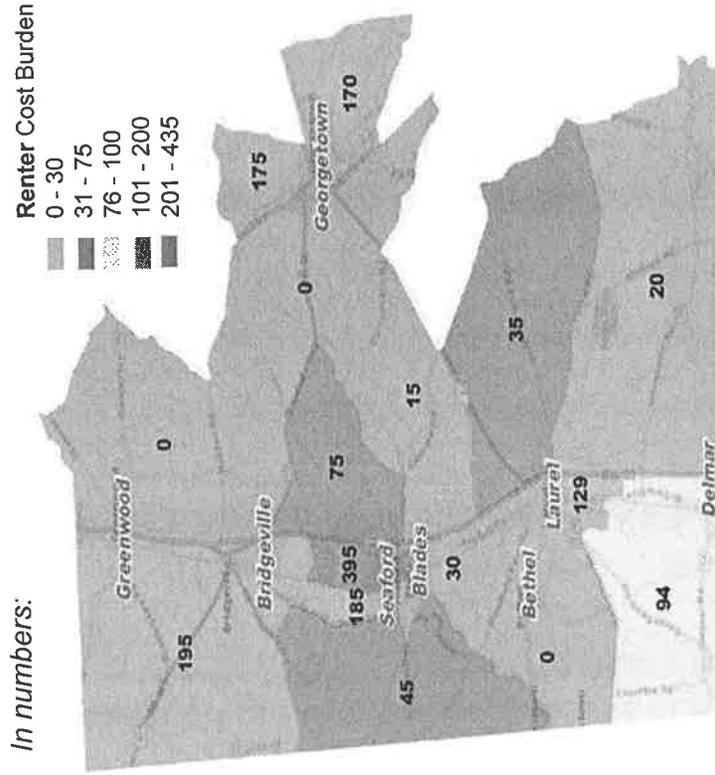
Need: West Sussex

Cost Burdened Renter Households by Census Tract (Under 80% Area Median Income)

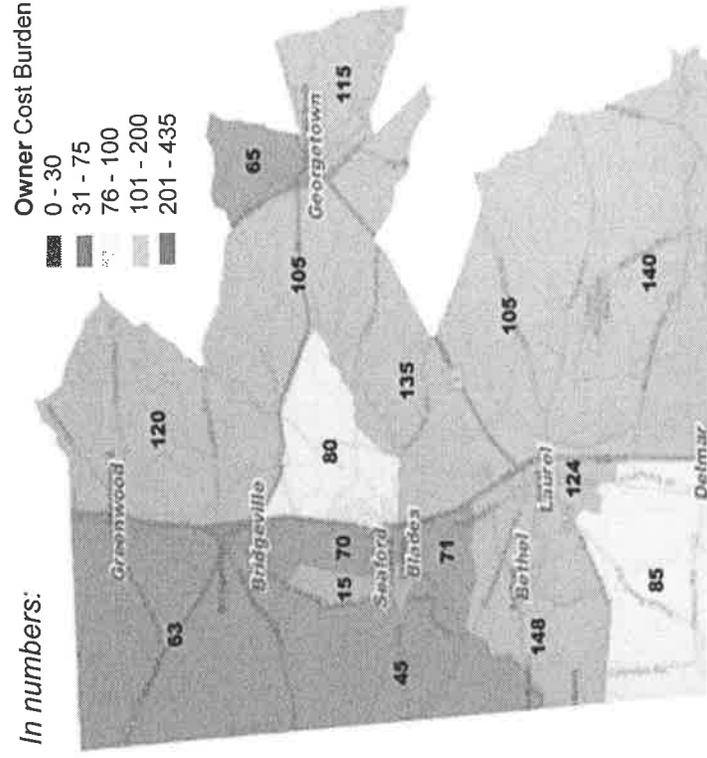
Housing Challenges			
West Sussex			
	TOTAL	% of All units	Compared to State
Cost Burdened Renters	3,017	46.7%	0.7%
Severely Cost Burdened Renters	1,344	20.5%	-2.0%
Cost Burdened Owners	5,227	28.3%	1.0%
Severely Cost Burdened Owners	2,020	11.0%	0.6%

HUD provides estimates of households who pay a burdensome amount for housing costs and are likely to be in need of more affordable housing options. According to HUD definitions, a "cost burdened" household pays more than 30% of their income on housing; a "severely cost burdened" household pays more than 50% of their income on housing. The information is categorized by income, and by owners and renters. HUD provides the following income categories in relation to Area Median Income (AMI): Extremely Low Income (<30% AMI), Very Low Income (30% - 50% AMI), Low Income (50% - 80% AMI), Moderate Income (80% - 100% AMI), and Middle Income and higher (>100% AMI).

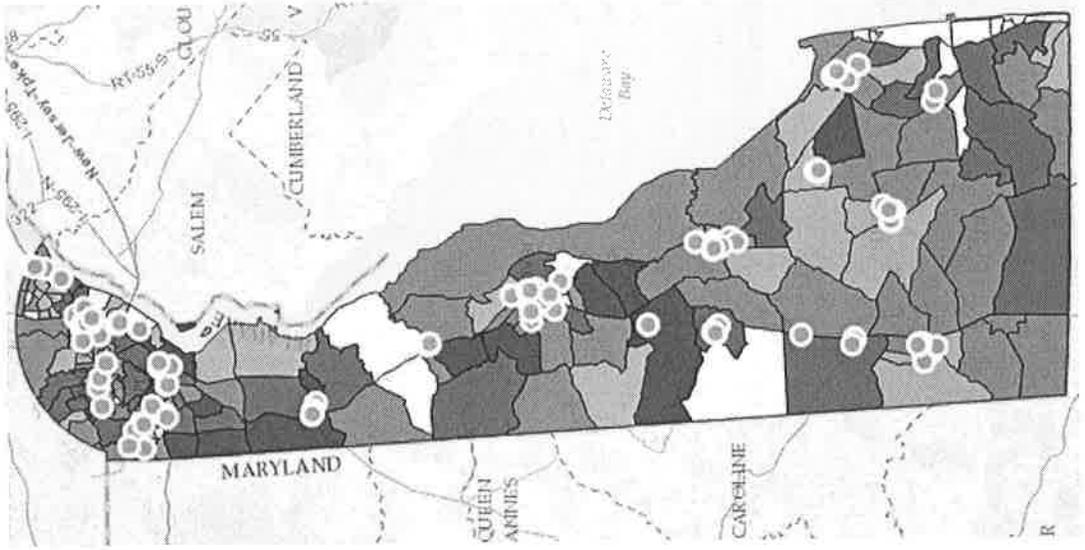
In numbers:



In numbers:



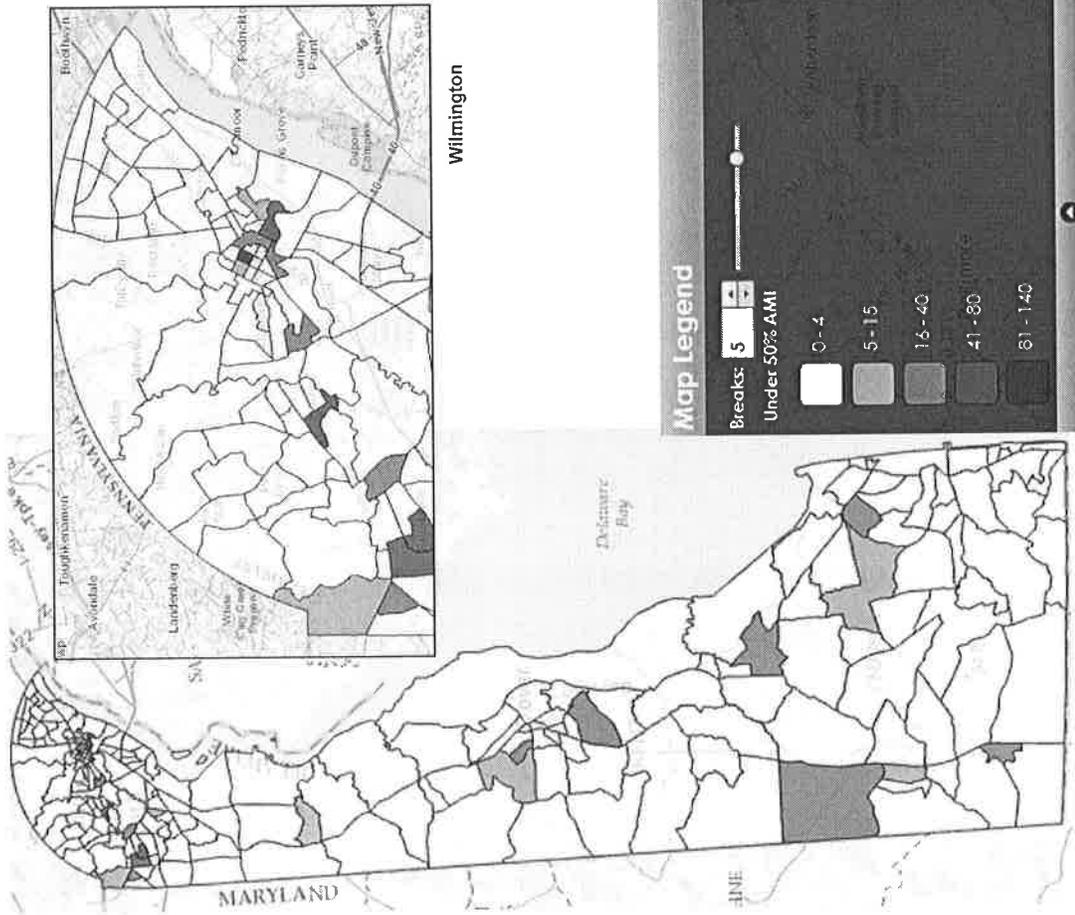
Housing Preservation/ Affordable Housing Units



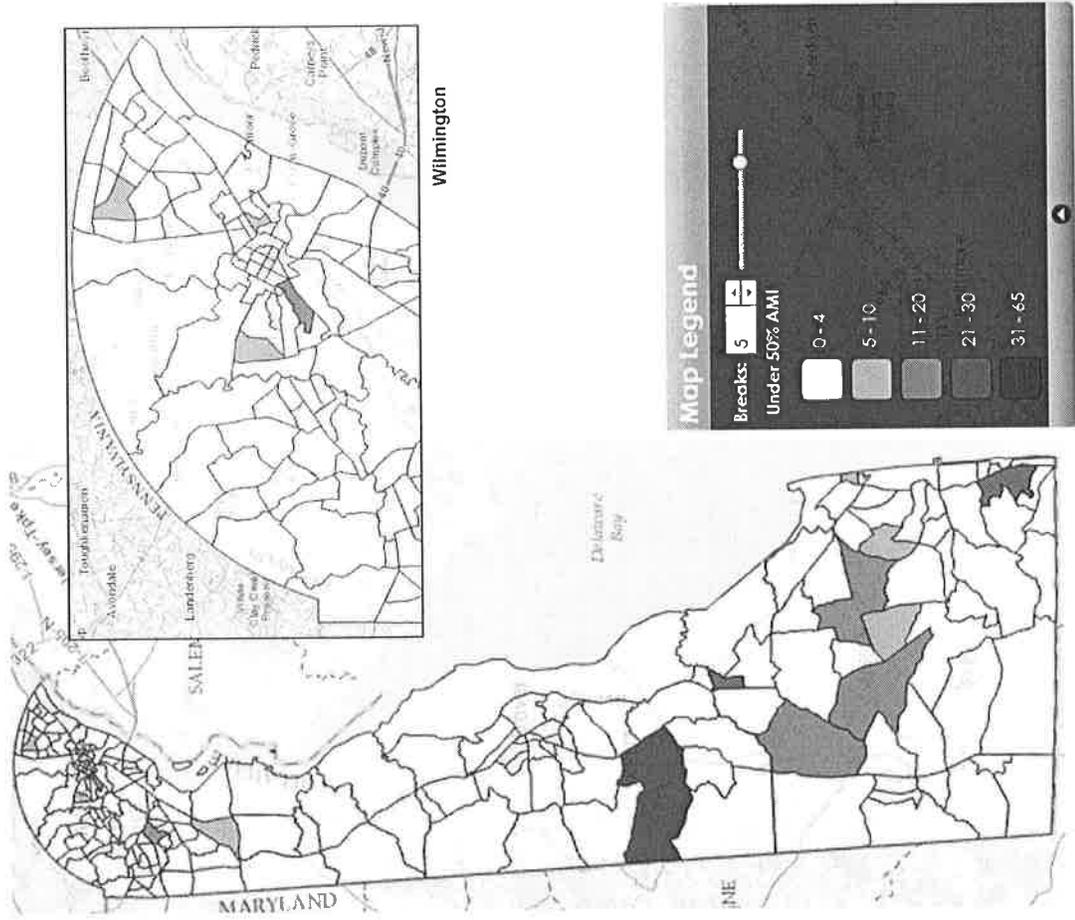
Substandard Housing

Substandard housing is defined as homes that are vacant and abandoned; homes that are occupied but are in unlivable conditions; and homes that are occupied and in disrepair.

Substandard Rental Units Less Than 50% AMI



Substandard Owner Occupied Units Less Than 50% AMI

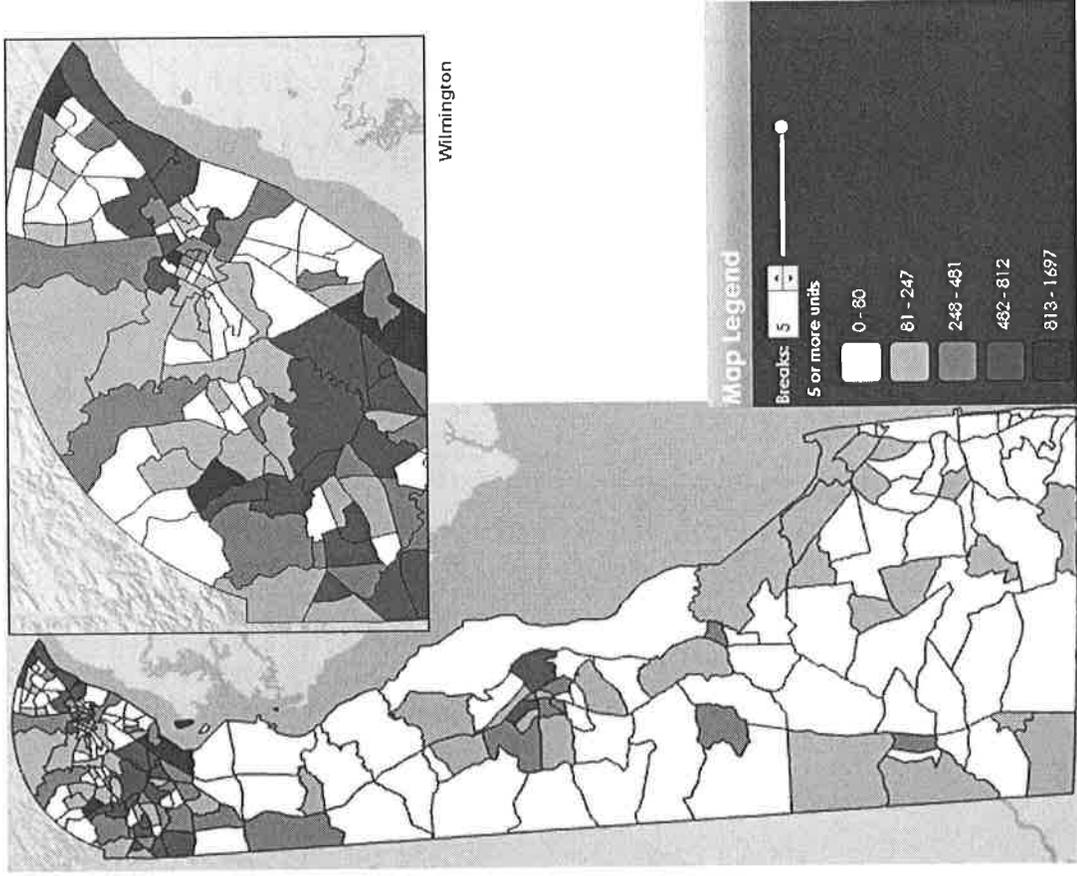


Single vs Multi-Family

Single Family (Detached)



Multi-family (+5 Unit Buildings)



Renters: Single Family and Multifamily

Delaware		RENTAL	OWNED	VACANT	TOTAL						TOTAL
Total Housing Units		87,612	243,868	70,258	401,738						
Single Family Renters (1 unit)	North New Castle		Wilmingon	Newark	South New Castle	North Kent	Dover	South Kent	East Sussex	West Sussex	TOTAL
	Housing Units ≤30% AMI	5,166	2,000	923	102	1,093	815	235	460	651	7,707
	Housing Units 30%-50% AMI	3,864	1,308	643	181	722	532	246	600	415	6,028
	Housing Units 50%-80% AMI	4,574	1,067	688	75	931	579	176	555	507	6,818
	Housing Units 80%-100% AMI	1,913	342	285	38	713	520	145	351	247	3,407
Housing Units >100% AMI		4,994	881	612	148	1,272	832	231	1,201	612	8,458
TOTAL		20,511	5,598	3,151	544	4,731	3,278	1,033	3,167	2,432	32,418
Total # of Units <80% AMI		13,604	4,375	2,254	358	2,746	1,926	657	1,615	1,573	20,553
Multi-Family Renters (2+ Units)											
Multi-Family Renters (2+ Units)	Housing Units ≤30% AMI	8,796	3,405	1,571	173	1,860	1,389	399	782	1,109	13,119
	Housing Units 30%-50% AMI	6,579	2,226	1,096	309	1,229	907	418	1,021	707	10,263
	Housing Units 50%-80% AMI	7,787	1,817	1,171	129	1,585	986	299	946	862	11,608
	Housing Units 80%-100% AMI	3,256	582	484	66	1,215	885	248	598	421	5,804
	Housing Units >100% AMI	8,503	1,499	1,043	252	2,165	1,416	393	2,046	1,041	14,400
TOTAL		34,921	9,529	5,365	929	8,054	5,583	1,757	5,393	4,140	55,194
Total # of Units <80% AMI		23,162	7,448	3,838	611	4,674	3,282	1,116	2,749	2,678	34,990
TOTAL RENTERS											
TOTAL RENTERS	Housing Units ≤30% AMI	13,962	5,405	2,494	275	2,953	2,204	634	1,242	1,760	20,826
	Housing Units 30%-50% AMI	10,443	3,534	1,739	490	1,951	1,439	664	1,621	1,122	16,291
	Housing Units 50%-80% AMI	12,361	2,884	1,859	204	2,516	1,565	475	1,501	1,369	18,426
	Housing Units 80%-100% AMI	5,169	924	769	104	1,928	1,405	393	949	668	9,211
	Housing Units >100% AMI	13,497	2,380	1,655	400	3,437	2,248	624	3,247	1,653	22,858
TOTAL		55,432	15,127	8,516	1,473	12,785	8,861	2,790	8,560	6,572	87,612
Total # of Units <80% AMI		36,766	11,823	6,092	969	7,420	5,282	1,773	4,364	4,251	55,543

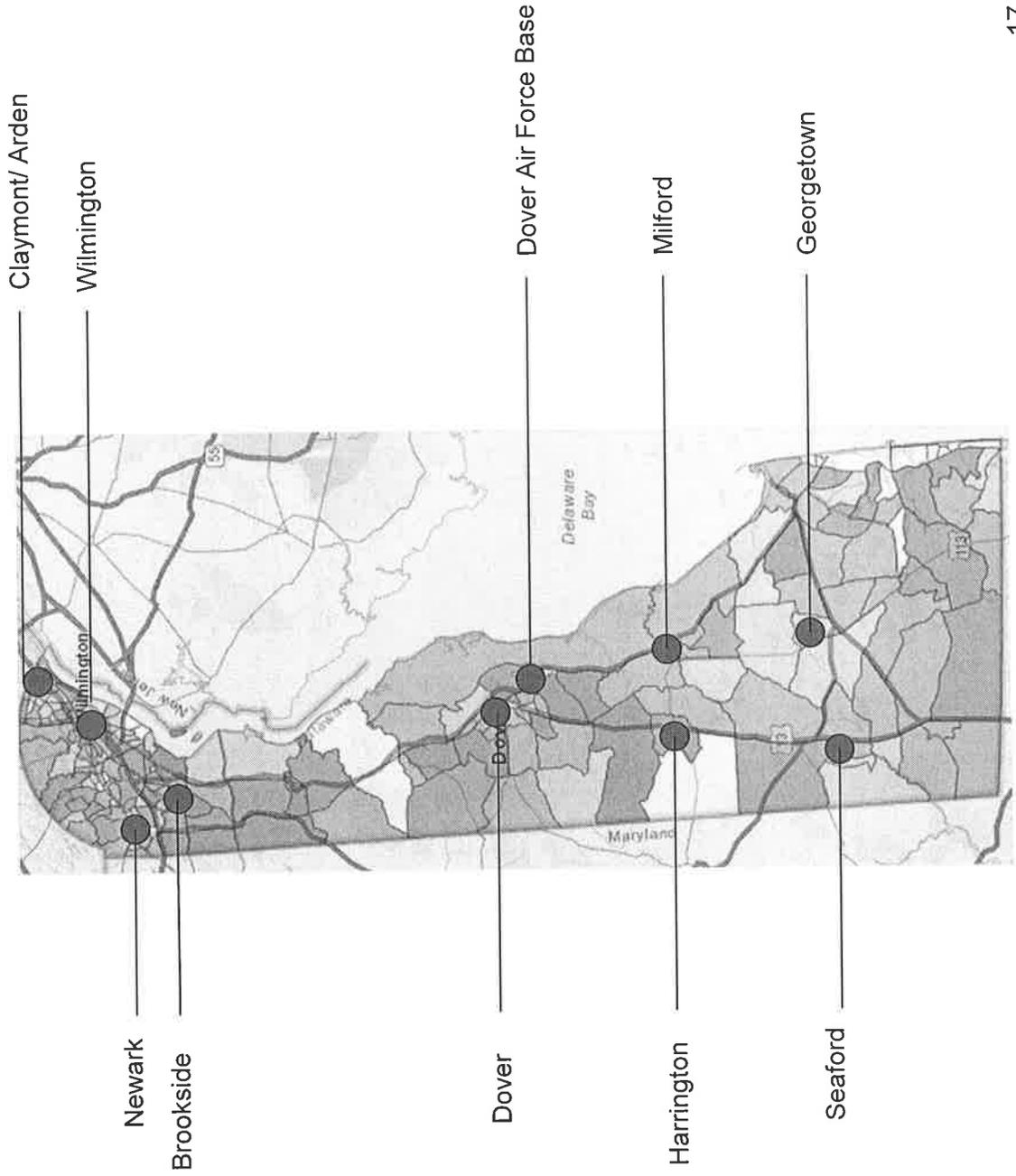
Owners: Single Family and Multifamily

Delaware	RENTAL	OWNED	VACANT	TOTAL							TOTAL
Total Housing Units	87,612	243,868	70,258	401,738							401,738
Single Family Owner (1 unit)	North New	Wilmingto n	Newark	South New	North Kent	Dover	South Kent	East Sussex	West Sussex	TOTAL	
Housing Units ≤30% AMI	7,016	1,719	482	481	1,787	828	643	2,031	824	12,782	
Housing Units 30%-50% AMI	8,500	1,313	806	804	2,594	1,400	494	3,317	1,502	17,211	
Housing Units 50%-80% AMI	17,543	2,231	2,142	1,481	4,816	2,725	1,075	5,855	2,840	33,610	
Housing Units 80%-100% AMI	12,696	1,278	1,157	1,287	3,263	1,857	998	3,705	1,664	23,613	
Housing Units >100% AMI	69,132	6,314	8,987	8,402	18,410	9,520	3,587	23,053	9,769	132,353	
TOTAL	114,887	12,855	13,574	12,455	30,870	16,330	6,797	37,961	16,599	219,569	
Total # of Units <80% AMI	33,059	5,263	3,430	2,766	9,197	4,953	2,212	11,203	5,166	63,603	
Multi-Family Centers (2+ Units)											
Housing Units ≤30% AMI	780	191	54	53	199	92	71	226	92	1,421	
Housing Units 30%-50% AMI	944	146	90	89	288	156	55	369	167	1,912	
Housing Units 50%-80% AMI	1,949	248	238	165	535	303	119	651	316	3,735	
Housing Units 80%-100% AMI	1,411	142	129	143	263	206	111	412	185	2,525	
Housing Units >100% AMI	7,681	702	999	934	2,046	1,058	399	2,561	1,085	14,706	
TOTAL	12,765	1,429	1,510	1,384	3,331	1,815	755	4,219	1,845	24,299	
Total # of Units <80% AMI	3,673	585	382	307	1,022	551	245	1,246	575	7,068	
TOTAL Owner Occupied											
Housing Units ≤30% AMI	7,796	1,910	536	534	1,986	920	714	2,257	916	14,203	
Housing Units 30%-50% AMI	9,444	1,459	896	893	2,882	1,556	549	3,686	1,669	19,123	
Housing Units 50%-80% AMI	19,492	2,479	2,380	1,646	5,351	3,028	1,194	6,506	3,156	37,345	
Housing Units 80%-100% AMI	14,107	1,420	1,286	1,430	3,526	2,063	1,109	4,117	1,849	26,138	
Housing Units >100% AMI	76,813	7,016	9,986	9,336	20,456	10,578	3,986	25,614	10,854	147,059	
GRAND TOTAL	127,652	14,284	15,084	13,839	34,201	18,145	7,552	42,180	18,444	243,868	
Total # of Units <80% AMI	36,732	5,848	3,812	3,073	10,219	5,504	2,457	12,449	5,741	70,671	

Areas of Concentrated Need

Primary Factors

- High # of Rentals
- High # <80%AMI
- Cost Burdened
- Substandard Housing



Housing Services/ Programs: Rental Assistance

- Public Housing
 - 5 housing authorities
 - 25,000 households on waiting list
 - *Housing Choice Voucher Program (Section 8)*
 - Rental in Private Market
 - 5,059 Units Served
 - <50%AMI
 - *Public Housing Program*
 - 2,521 Units Served
 - <50%AMI
- Section 202 and Section 811
 - Section 202: supportive housing for low income seniors
 - Section 811: supportive housing for low income persons with a disability
 - Granted directly to non-profits
 - 1,068 units statewide
- USDA Rural Housing Program
 - Rental assistance and financing
 - 1,679 units statewide (mostly Sussex County)

Housing Services/ Programs: Affordable Housing

- Low Income Tax Credits
 - 4,203 units in LIHTC portfolio
 - 50%-60% AMI
 - Tax incentive administered by the U.S. Treasury
 - Administered in DE by DSHA
 - Budget: Approximately \$2.2 million in tax credits (determined by U.S. Treasury) annually
 - 180-220 units developed annually
- Community Development Block Grant Program
 - Direct Grants (homeowner rehab)
 - Budget: \$6,639,673 annually
 - 75% of budget to Homeowner affordable housing rehab
- HOME Investment Partnership Program
 - Direct Grants (homeowner affordable housing rehab)
 - Budget: \$4,130,849
- Housing Development Fund
 - State Housing Trust Fund
 - Loans for multifamily development and rehab
 - Homeownership acquisition & rehab and new construction
 - Rehab programs serving existing homeowners

Low Income Energy Programs

- Weatherization Assistance Program (WAP); Catholic Charities
- Pre-WAP Program; Catholic Charities; Catholic Charities
- Low-income Home Energy Assistance Program (LIHEAP); Catholic Charities
- LIHEAP Heater Repair/ Replacement and Cooling Program
- SHARING Fund ; Chesapeake Utilities
- Grants Fund; Chesapeake Utilities
- Beat the Peak; Delaware Electric Co-op
- Assisted Home Performance with ENERGY STAR

Next Steps

- Chart out all available resources and scale of activity of identified services
- Identify low-income program service gaps and opportunities for settlement funds
 - Some preliminary considerations:
 - Statewide or place based?
 - Extremely low income or working poor?
 - Single family or multifamily?
 - Leverage with other programs?
- Collect stakeholder feedback on potential program concepts
- Draft initial recommendations and collect comments/ edits
- Draft final recommendations report